

January 6, 2022

**VIA ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: Docket 5189 – 2022 Annual Energy Efficiency Program Plan  
Economic Multipliers Update  
Updated E-5 Secondary Tables**

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid (“National Grid” or the “Company”), enclosed, please find a document entitled “Economic Multipliers Update” and updated E-5 Secondary Tables applying the updated economic multipliers for filing in the above referenced docket.<sup>1</sup>

Thank you for your attention to this filing. If you have any questions or concerns, please do not hesitate to contact me at 401-784-4263.

Sincerely,



Andrew S. Marcaccio

Enclosure

cc: Docket 5189 Service List  
John Bell, Division  
Margaret Hogan, Esq.  
Jon Hagopian, Esq.

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<sup>1</sup> Per the Commission’s request, the Company is providing one copy of this transmittal for the Commission’s file in this docket and six (6) copies, 3-hole punched for the Commission.

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



\_\_\_\_\_  
Joanne M. Scanlon

January 6, 2022

Date

**Docket No. 5189 - National Grid – 2022 Annual Energy Efficiency Program  
Service list updated 11/29/2021**

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**ECONOMIC MULTIPLIERS UPDATE**

Corrections to Plan

In preparing responses to the PUC’s Sixth Set of Data Requests, the Company identified an error in the economic multipliers used for the 2022 Energy Efficiency Plan found on Bates 391. This error was due to the way participant costs were entered in REMI. The corrected multipliers are below.

	Original (Bates 391)	Updated
<b>Electric Programs</b>		
<i>Residential</i>		
Residential New Construction (RNC)	\$1.40	\$1.56
HVAC	\$1.42	\$1.58
EnergyWise	\$0.93	\$1.05
EnergyWise Multifamily	\$1.34	\$1.45
Residential Lighting	\$1.59	\$1.72
Residential Products	\$1.52	\$1.65
Home Energy Reports	\$1.00	\$1.11
Single Family - Income Eligible Services	\$0.86	\$0.96
Income Eligible Multifamily	\$1.19	\$1.30
<i>Commercial and Industrial</i>		
Large Commercial New Construction	\$3.11	\$2.74
Large Commercial Retrofit	\$5.80	\$5.28
Small Business Direct Install	\$1.97	\$1.53
<b>Total Electric Portfolio</b>	<b>\$2.14</b>	<b>\$2.05</b>
<b>Gas Programs</b>		
<i>Residential</i>		
ENERGY STAR® HVAC	\$0.83	\$0.97
EnergyWise	\$1.01	\$1.08
EnergyWise Multifamily	\$1.63	\$1.70
Home Energy Reports	\$1.06	\$1.12
Residential New Construction	\$0.22	\$0.34
Single Family - Income Eligible Services	\$0.99	\$1.05
Income Eligible Multifamily	\$1.55	\$1.62
<i>Commercial and Industrial</i>		
Large Commercial New Construction	\$1.42	\$0.74

	Original (Bates 391)	Updated
Large Commercial Retrofit	\$2.53	\$2.10
Small Business Direct Install	\$1.75	\$1.39
Commercial & Industrial Multifamily	\$1.89	\$1.55
<b>Total Gas Portfolio</b>	<b>\$1.26</b>	<b>\$1.19</b>
<b>Combined Heat and Power (CHP)</b>		
<b>Total CHP Project &lt;3 MW</b>	<b>\$2.13</b>	<b>\$1.94</b>
<b>Demand Response</b>		
Residential Connected Solutions	\$0.83	\$0.83
Commercial Connected Solutions	\$2.19	\$2.19
<b>Total Demand Response Portfolio</b>	<b>\$2.02</b>	<b>\$2.02</b>

This error applies to the economic benefits claimed in the electric and gas energy efficiency portfolios for the Provisional Plan, Provisional Plan 2 and Alternative Base Plan<sup>1</sup>. This does not change the economic benefits claimed by the demand response programs. These changes have no impact on energy savings, non-economic benefit targets, or PIM-eligible net benefits. These changes result in a slight decrease in the benefit cost ratios in the three plans due to the reduction in economic benefits in the commercial and industrial programs.

Directionally, the change in multipliers slightly increases the economic benefits generated by residential and income eligible programs, and slightly decreases the economic benefits generated by the commercial and industrial programs.

The economic benefits associated with the Provisional Plan have been adjusted using the updated economic multipliers in “Table E-5 Secondary – Provisional Plan – Refiled 1-6-2022” which is attached hereto. This results in a reduction of economic benefits for the electric portfolio of approximately \$19M in benefits. This accounts for approximately 3.6% of total benefits in the Provisional Plan.

The economic benefits associated with the Provisional Plan 2 have been adjusted using the updated economic multipliers in “Table E-5 Secondary – Provisional Plan 2 – Refiled 1-6-2022” which is attached hereto. This results in a reduction of economic benefits for the electric

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<sup>1</sup> The response to PUC 7-9 with updates to the Alternative Base Plan use the updated economic multipliers. The response to PUC 2-17 with the original Alternative Base Plan use the incorrect economic multipliers.

portfolio of approximately \$16.5M in benefits. This accounts for approximately 3.3% of total benefits in the Provisional Plan 2.

The economic benefits associated with the Alternative Base Plan have been adjusted using the updated economic multipliers in “Table E-5 Secondary – Alternative Base Plan – Refiled 1-6-2022” which is attached hereto. This results in a reduction of economic benefits for the electric portfolio of approximately \$14.8M in benefits. This accounts for approximately 3.1% of total benefits in the Alternative Base Plan.

**Table E-5 - Secondary - Alternative Base Plan - Refile 1/6/2022**  
**National Grid**  
**Calculation of 2022 Program Year Cost-Effectiveness with Economic Benefits Included**  
**All Dollar Values in (\$000)**

	<b>RI Test Benefit/ Cost<sup>1</sup></b>	<b>Total Benefit</b>	<b>Program Implementation Expenses<sup>2</sup></b>	<b>Customer Contribution</b>	<b>Performance Incentive</b>	<b>¢/Lifetime kWh</b>
<b>Non-Income Eligible Residential</b>						
Residential New Construction	3.21	\$6,574.1	\$1,501.3	\$547.2		13.7
ENERGY STAR® HVAC	3.32	\$22,320.6	\$4,867.0	\$1,848.5		8.6
EnergyWise	2.04	\$33,090.5	\$15,680.0	\$530.6		120.3
EnergyWise Multifamily	2.89	\$10,887.2	\$3,239.5	\$532.0		18.1
Home Energy Reports	3.15	\$8,333.3	\$2,641.3	\$0.0		9.8
Residential Consumer Products	3.25	\$14,329.6	\$2,797.8	\$1,606.6		9.3
Residential ConnectedSolutions	2.42	\$4,390.9	\$1,813.2	\$0.0		N/A
Energy Efficiency Education Programs			\$0.0			
Residential Pilots			\$0.0			
Community Based Initiatives - Residential			\$255.1			
Comprehensive Marketing - Residential			\$247.9			
<b>Non-Income Eligible Residential SUBTOTAL</b>	<b>2.62</b>	<b>\$99,926.1</b>	<b>\$33,042.9</b>	<b>\$5,064.9</b>	<b>\$0.0</b>	<b>18.9</b>
<b>Income Eligible Residential</b>						
Single Family - Income Eligible Services	2.90	\$38,506.8	\$13,279.9	\$0.0		34.5
Income Eligible Multifamily	3.66	\$12,970.0	\$3,539.9	\$0.0		14.6
<b>Income Eligible Residential SUBTOTAL</b>	<b>3.06</b>	<b>\$51,476.8</b>	<b>\$16,819.8</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>26.8</b>
<b>Commercial &amp; Industrial</b>						
Large Commercial New Construction	6.00	\$59,281.3	\$9,135.5	\$742.5		5.1
Large Commercial Retrofit	6.19	\$205,790.2	\$25,166.6	\$8,064.5		10.6
Small Business Direct Install	2.42	\$26,342.0	\$8,984.2	\$1,923.1		16.9
Commercial ConnectedSolutions	4.61	\$20,243.2	\$4,393.6	\$0.0		N/A
Commercial Pilots			\$0.0			
Community Based Initiatives - C&I			\$85.0			
Finance Costs			\$2,000.0			
Commercial Workforce Development			\$157.5			
<b>C&amp;I SUBTOTAL</b>	<b>4.71</b>	<b>\$311,656.7</b>	<b>\$49,922.4</b>	<b>\$10,730.1</b>	<b>\$5,500.0</b>	<b>10.6</b>
<b>Regulatory</b>						
OER			\$1,636.4			
EERMC			\$1,090.9			
Rhode Island Infrastructure Bank			\$5,000.0			
<b>Regulatory SUBTOTAL</b>			<b>\$7,727.3</b>			
<b>TOTAL</b>	<b>3.59</b>	<b>\$463,059.6</b>	<b>\$107,512.5</b>	<b>\$15,795.0</b>	<b>\$5,500.0</b>	<b>14.8</b>

Notes:

- (1) RI Test B/C Test = Total Benefits from Table E-6A including Economic Benefits / Program Implementation Expenses from Table E-3  
 Also includes effects of free-ridership and spillover.
- (2) For Implementation Expenses derivation, see Table E-3.

**Table E-5 - Secondary - PROVISIONAL PLAN - Refined 1-6-2022**  
**National Grid**  
**Calculation of 2022 Program Year Cost-Effectiveness with Economic Benefits Included**  
**All Dollar Values in (\$000)**

	<b>RI Test Benefit/ Cost<sup>1</sup></b>	<b>Total Benefit</b>	<b>Program Implementation Expenses<sup>2</sup></b>	<b>Customer Contribution</b>	<b>Performance Incentive</b>	<b>¢/Lifetime kWh</b>
<b>Non-Income Eligible Residential</b>						
Residential New Construction	3.21	\$6,572.5	\$1,500.3	\$547.2		13.7
ENERGY STAR® HVAC	3.32	\$22,314.1	\$4,862.8	\$1,848.5		8.6
EnergyWise	2.04	\$33,073.5	\$15,663.7	\$530.6		120.2
EnergyWise Multifamily	2.89	\$10,882.6	\$3,236.3	\$532.0		18.1
Home Energy Reports	3.15	\$8,333.3	\$2,641.3	\$0.0		9.8
Residential Consumer Products	3.25	\$14,326.0	\$2,795.6	\$1,606.6		9.3
Residential ConnectedSolutions	2.42	\$4,389.5	\$1,811.5	\$0.0		N/A
Energy Efficiency Education Programs			\$0.0			
Residential Pilots			\$0.0			
Community Based Initiatives - Residential			\$255.1			
Comprehensive Marketing - Residential			\$247.9			
<b>Non-Income Eligible Residential SUBTOTAL</b>	<b>2.62</b>	<b>\$99,891.4</b>	<b>\$33,014.5</b>	<b>\$5,064.9</b>	<b>\$0.0</b>	<b>18.9</b>
<b>Income Eligible Residential</b>						
Single Family - Income Eligible Services	2.90	\$38,493.9	\$13,266.5	\$0.0		34.5
Income Eligible Multifamily	3.67	\$12,965.1	\$3,536.1	\$0.0		14.5
<b>Income Eligible Residential SUBTOTAL</b>	<b>3.06</b>	<b>\$51,459.1</b>	<b>\$16,802.7</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>26.7</b>
<b>Commercial &amp; Industrial</b>						
Large Commercial New Construction	5.44	\$73,246.5	\$12,453.6	\$1,021.5		6.1
Large Commercial Retrofit	5.84	\$239,678.6	\$30,307.4	\$10,742.0		12.0
Small Business Direct Install	2.39	\$27,949.6	\$9,732.3	\$1,974.1		17.5
Commercial ConnectedSolutions	4.61	\$20,227.9	\$4,386.6	\$0.0		N/A
Commercial Pilots			\$0.0			
Community Based Initiatives - C&I			\$85.0			
Finance Costs			\$2,000.0			
Commercial Workforce Development			\$157.5			
<b>C&amp;I SUBTOTAL</b>	<b>4.61</b>	<b>\$361,102.6</b>	<b>\$59,122.3</b>	<b>\$13,737.6</b>	<b>\$5,500.0</b>	<b>11.6</b>
<b>Regulatory</b>						
OER			\$1,911.5			
EERMC			\$1,274.4			
Rhode Island Infrastructure Bank			\$5,000.0			
<b>Regulatory SUBTOTAL</b>			<b>\$8,185.9</b>			
<b>TOTAL</b>	<b>3.62</b>	<b>\$512,453.0</b>	<b>\$117,125.5</b>	<b>\$18,802.5</b>	<b>\$5,500.0</b>	<b>15.2</b>

Notes:

- (1) RI Test B/C Test = Total Benefits from Table E-6A including Economic Benefits / Program Implementation Expenses from Table E-3  
 Also includes effects of free-ridership and spillover.
- (2) For Implementation Expenses derivation, see Table E-3.

**Table E-5 - Secondary - PROVISIONAL PLAN 2 - Refile 1/6/2022**  
**National Grid**  
**Calculation of 2022 Program Year Cost-Effectiveness with Economic Benefits Included**  
**All Dollar Values in (\$000)**

	<b>RI Test Benefit/ Cost<sup>1</sup></b>	<b>Total Benefit</b>	<b>Program Implementation Expenses<sup>2</sup></b>	<b>Customer Contribution</b>	<b>Performance Incentive</b>	<b>¢/Lifetime kWh</b>
<b>Non-Income Eligible Residential</b>						
Residential New Construction	3.21	\$6,573.3	\$1,500.8	\$547.2		13.7
ENERGY STAR® HVAC	3.32	\$22,317.4	\$4,865.0	\$1,848.5		8.6
EnergyWise	2.04	\$33,082.3	\$15,672.1	\$530.6		120.3
EnergyWise Multifamily	2.89	\$10,885.0	\$3,238.0	\$532.0		18.1
Home Energy Reports	3.15	\$8,333.3	\$2,641.3	\$0.0		9.8
Residential Consumer Products	3.25	\$14,327.9	\$2,796.7	\$1,606.6		9.3
Residential ConnectedSolutions	2.42	\$4,390.2	\$1,812.3	\$0.0		N/A
Energy Efficiency Education Programs			\$0.0			
Residential Pilots			\$0.0			
Community Based Initiatives - Residential			\$255.1			
Comprehensive Marketing - Residential			\$247.9			
<b>Non-Income Eligible Residential SUBTOTAL</b>	<b>2.62</b>	<b>\$99,909.4</b>	<b>\$33,029.2</b>	<b>\$5,064.9</b>	<b>\$0.0</b>	<b>18.9</b>
<b>Income Eligible Residential</b>						
Single Family - Income Eligible Services	2.90	\$38,500.6	\$13,273.5	\$0.0		34.5
Income Eligible Multifamily	3.67	\$12,967.7	\$3,538.1	\$0.0		14.6
<b>Income Eligible Residential SUBTOTAL</b>	<b>3.06</b>	<b>\$51,468.2</b>	<b>\$16,811.6</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>26.8</b>
<b>Commercial &amp; Industrial</b>						
Large Commercial New Construction	5.51	\$71,831.3	\$12,020.6	\$1,023.3		6.0
Large Commercial Retrofit	6.13	\$214,607.7	\$26,314.7	\$8,672.3		10.8
Small Business Direct Install	2.42	\$26,331.9	\$8,977.6	\$1,923.1		16.9
Commercial ConnectedSolutions	4.61	\$20,235.7	\$4,390.2	\$0.0		N/A
Commercial Pilots			\$0.0			
Community Based Initiatives - C&I			\$85.0			
Finance Costs			\$2,000.0			
Commercial Workforce Development			\$157.5			
<b>C&amp;I SUBTOTAL</b>	<b>4.69</b>	<b>\$333,006.6</b>	<b>\$53,945.6</b>	<b>\$11,618.8</b>	<b>\$5,500.0</b>	<b>10.8</b>
<b>Regulatory</b>						
OER			\$1,708.2			
EERMC			\$1,138.8			
Rhode Island Infrastructure Bank			\$5,000.0			
<b>Regulatory SUBTOTAL</b>			<b>\$7,846.9</b>			
<b>TOTAL</b>	<b>3.62</b>	<b>\$484,384.2</b>	<b>\$111,633.3</b>	<b>\$16,683.6</b>	<b>\$5,500.0</b>	<b>14.7</b>

Notes:

- (1) RI Test B/C Test = Total Benefits from Table E-6A including Economic Benefits / Program Implementation Expenses from Table E-3  
 Also includes effects of free-ridership and spillover.
- (2) For Implementation Expenses derivation, see Table E-3.